

2022 Market Report

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Maine Home Connection

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Maine Single Family Dashboard

Year-Over-Year



- Annual unit sales reverse the 10th consecutive record and start to decline.
- Median selling prices continue to trend upwards, increasing 8 consecutive years.
- Listing inventory remained at historic lows throughout the year, in all segments.

Additional reports available at MaineHomeConnection.com

General Overview

The 2022 housing market was both vexing and remarkable, depending up whether you were buying or selling. The pandemic and resulting remote work continued to define how, when, and where people bought homes. The median U.S. home price hit a record high before falling slightly. Rising rents stretched renters' budgets. High inflation put increased pressure on almost everyone. For the first time in history, mortgage rates doubled in the span of just one year.

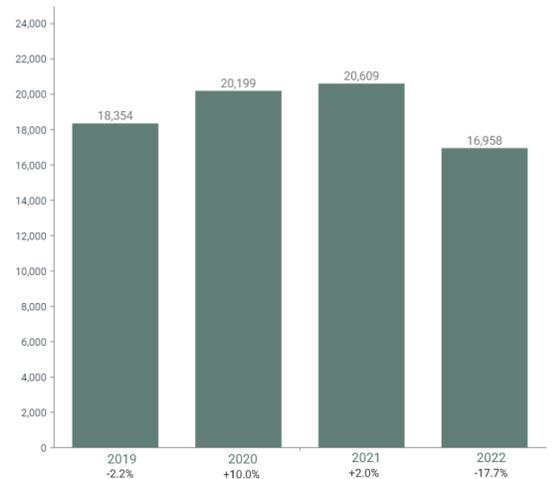
In Maine, buyer demand remained strong as the year started with a surge in prices but consistently low inventory across all price segments alongside record inflation in the fall resulted in an overall dramatic decline of 17% in homes sold in 2022 vs 2021.

Multiple offers continued to drive prices significantly higher, resulting in median selling prices (MSP) consistently above list price. The year-end MSP of \$335,000 was the highest on record and represented a 12% increase over the previous year.

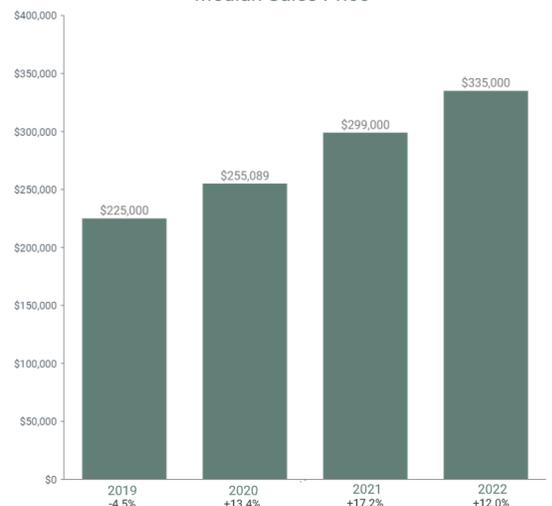
Overall, single family home sales in Maine declined to 16,968 units, ending six years of consecutive sales records. The prices of goods and services rose to 6.5% year-over-year, the highest percentage since August 1982 and more than double the rate from November 2021. Rising prices severely limited.

At year-end, homes available for sale declined 8% in 2022 vs 2021 and only began to moderately increase towards the last quarter of the year. In Cumberland County, where competition among buyers was the most intense, this low inventory situation resulted, on average, in ten showings per property before a contact was accepted. This was by far the highest in the state.

Closed Sales



Median Sales Price



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Maine Condominiums Dashboard

Year-Over-Year

 **1,910**
Unit Sales  22.9%

 **\$371,275**
Median Price  12.5%

 **7**
Days on Market 0.0%

 **102.7%**
Listing Discount  0.6%

 **244**
Inventory  10.4%

 **2.0mos**
Absorption Rate  81.8%

- Condo sales represent 10% of Maine's market, down slightly from 2021.
- 47 condos above \$1,000K were sold in 2022v. 77 above \$1,000k in 2021.
- Portland condo sales dropped dramatically after posting a record of 503 units sold in 2021.

Additional reports available at
MaineHomeConnection.com

Condominium Overview

Condos typically represent 10% of the residential housing market and 2022 was no different, although the total volume was considerably less. In Cumberland County, they were nearly 26% of the market compared to 22% the prior year.

	Units			Median Price		
	2022	2021	%	2022	2021	%
Cumberland County						
Portland	295	503	-41.4%	455,000	469,530	-3.1%
South Portland	52	90	-42.2%	385,000	330,000	16.7%
Falmouth	47	85	-44.7%	631,329	555,000	13.8%
Cape Elizabeth	39	36	8.3%	550,000	607,500	-9.5%
Scarborough	96	106	-9.4%	388,200	317,350	22.3%
Cumberland	9	18	-50.0%	525,000	400,500	31.1%
Yarmouth	21	21	0.0%	495,000	430,000	15.1%
Harpswell	2	6	-66.7%	492,500	562,500	-12.4%
Brunswick	116	73	58.9%	290,250	280,000	3.7%
Freeport	10	15	-33.3%	284,500	233,500	21.8%
Windham	26	40	-35.0%	350,000	281,250	24.4%
Gorham	59	6	883.3%	450,000	375,000	20.0%
Westbrook	68	73	-6.8%	330,000	269,900	22.3%
York County						
Old Orchard Beach	116	166	-30.1%	305,500	266,500	14.6%
Saco	60	83	-27.7%	286,288	285,000	0.5%
Biddeford	13	17	-23.5%	277,000	327,000	-15.3%
Kennebunk	6	102	-94.1%	435,000	382,250	13.8%
Kennebunkport	14	17	-17.6%	456,250	329,000	38.7%
Wells	186	204	-8.8%	315,000	255,000	23.5%
Ogunquit	26	44	-40.9%	555,000	449,500	23.5%
Maine	1,910	2,477	-22.9%	371,275	330,000	12.5%
Cumberland County	877	1,126	-22.1%	419,000	396,250	5.7%
York County	603	810	-25.6%	335,000	305,250	9.7%

Market Segments

Generally, the condo market across Maine reflected a better inventory situation than that affecting single-family homes, but was still below normal levels.

The three largest markets for condos were Portland (295), Old Orchard Beach (116), and Wells (102). The decline in Portland had been significant, as many new developments in the downtown area were completed during the prior year and resales were much less. The 3.1% decline in median prices reflected the shift to less up-scale properties being sold in the last twelve months.

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Cumberland County Single Family Dashboard

Year-Over-Year

 **3,332**
Unit Sales  17.5%

 **\$491,500**
Median Price  13.7%

 **6**
Days on Market 0.0%

 **105.2%**
Listing Discount  0.1%

 **230**
Inventory  24.3%

 **1.1 mos**
Absorption Rate  83.3%

- Inventory in nearly all price segments remained tight.
- The YTD MSP in Cumberland County set an all-time record.
- DOM was at historically low levels consistently.
- While declining in the 2nd half of the year, homes sold at over 1% of listing price.
- 30% of closings were cash.

Additional reports available at
MaineHomeConnection.com

Single Family Overview

We actively track property sales in southern Maine in general and the greater Portland market in particular. In 2022, Cumberland County experienced a significant decline in single-family unit sales constrained in many cases by lower inventory and high-interest rates. Prices continued to escalate, as they have in most parts of the country.

Virtually all communities ended the year with lower sales in 2022 vs 2021 - some significantly, as seen in the chart below.

	Units			Median Price		
	2022	2021	%	2022	2021	%
Cumberland County						
Portland	471	562	-16.2%	490,000	460,000	6.5%
South Portland	235	297	-20.9%	475,000	400,000	18.8%
Falmouth	149	202	-26.2%	838,000	753,500	11.2%
Cape Elizabeth	113	146	-22.6%	805,000	738,750	9.0%
Scarborough	280	309	-9.4%	637,000	570,157	11.7%
Cumberland	119	127	-6.3%	721,000	575,000	25.4%
Yarmouth	98	117	-16.2%	830,000	715,000	16.1%
Harpwell	81	129	-37.2%	630,000	611,000	3.1%
Brunswick	183	218	-16.1%	471,500	380,000	24.1%
Freeport	81	116	-30.2%	620,000	537,500	15.3%
Windham	267	319	-16.3%	442,000	397,500	11.2%
Gorham	158	233	-32.2%	462,500	400,000	15.6%
Westbrook	185	230	-19.6%	428,000	360,000	18.9%
York County						
Old Orchard Beach	133	165	-19.4%	525,000	426,000	23.2%
Saco	211	242	-12.8%	465,000	408,250	13.9%
Biddeford	187	209	-10.5%	410,000	360,000	13.9%
Kennebunk	192	201	-4.5%	643,950	537,000	19.9%
Kennebunkport	71	92	-22.8%	914,000	977,750	-6.5%
Wells	196	285	-31.2%	565,000	512,000	10.4%
Ogunquit	25	42	-40.5%	1,052,000	860,300	22.3%
Maine	16,957	20,609	-17.7%	335,000	299,000	12.0%
Cumberland County	3,333	4,040	-17.5%	491,500	432,250	13.7%
York County	2,689	3,210	-16.2%	450,000	398,500	12.9%

The median price of \$491,500 in Cumberland County was an all-time record, although the rate of growth decelerated during the closing months of year. Nearly every community in the greater Portland area recorded double-digit annual growth.

As of December 2022, the median price has been up and over the same month of the previous year for 45 consecutive months.

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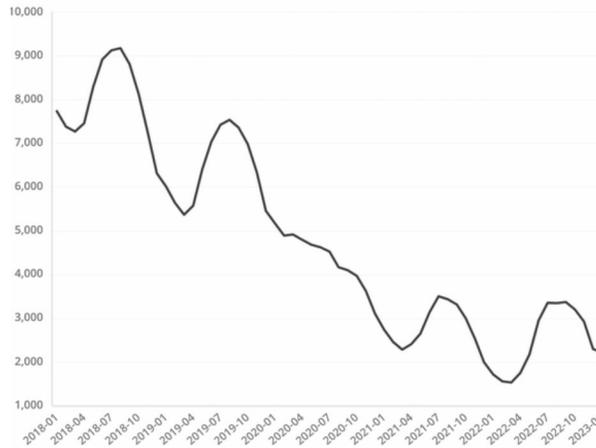


Maine Real Estate Update Dashboard

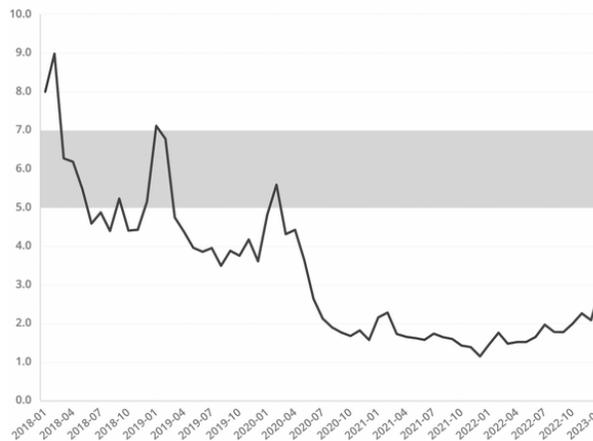
- Rental prices increased 12.8% nationally in 2022 to \$2053, the highest on record.
- There is a current effort underway to increase rental units in Maine.
- According to CoreLogic, homeowner equity is up 15.8% nationally in 2022, totaling \$2 trillion.
- In Maine, 45% of homes were sold above list price.
- Statewide, new listings were down for the year by 11.9%.
- The market for green homes increased dramatically.
- The price range of \$350K to \$500K declined 6.5% in 2022, representing 23% of all sales vs 20% in 2021.
- Growth in vacation homes was steady all year.
- 774 homes valued over \$1 million were sold in 2022.
- Remote work continues to expand search area for home ownership.
- Home purchases by out-of-state buyers reached 26%.
- Working with local Maine banks provided an advantage for buyers in 2022.
- It took 9 days to get a home under contract in 2022 vs 8

Status of Inventory

Year-over-year inventory levels have continued to drop since reaching a high of 9,176 in August of 2018, and a low of 1,531 in March of 2022, representing a decline of historic proportions.



During 2022, inventory gradually increased. Looking at the data seasonally, inventory levels across Maine were down 32.9% in 2022 vs 2021 in the winter months, reaching the lowest level in March. Conditions improved during the summer as homes available for sale trailed the prior year by 4.3% by July - yet still were at unprecedented low levels.



The lack of inventory is also evident in the Months of Inventory calculation (also known as Absorption Rate). The Absorption Rate is a measure of how long a home would last on the market at the current rate of sales.

The shaded area in the chart to the left reflects a "balanced" market. Maine has been a seller's market for the last two years, but showed signs of changing in late 2022.



Monthly Updates

Each month, Maine home sales statistics are updated on our website, by town, county, and state. Reports are available for download. Visit: MaineHomeConnection.com

Anne Marie Cooke

GUIDING YOU HOME



Anne Marie Cooke is a Real Estate Broker representing buyers, sellers and specializing in relocation. Her passion is Real Estate and working with her clients, and it shows in her enthusiasm and experience. As a native and lifelong resident of Portland, Maine, Anne Marie is able to share her knowledge and expertise with her clients about this area's numerous amenities and culture.

GUIDING YOU HOME...

let Anne Marie show you how she makes the buying and selling process a pleasure for you.

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